

Reviewed
2/16/06
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STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
1594 West North Temple - Suite 1210
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Salt Lake City, Utah 84114-5801
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ANNUAL REPORT OF MINING OPERATIONS

The informational requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, Utah Code Annotated 1953, as amended, and the General Rules as promulgated under the Utah Minerals Regulatory Program. An operator conducting mining operations under a Notice of Intention must file an annual operations and progress report (FORM MR-AR) with the Division.

I. General Information

1. Report Time Period: From (mo./yr.) 1/2005 To (mo./yr.) 12/2005
2. DOGM File Number (Mine No): M/035/011
3. Mine Name: 4th Line/Copperton Concentrator
4. Mineral(s) Mined (or permitted to mine): Copper and associated metals
5. Type of mine: ☒ Surface Mine or ☐ Underground Mine
6. Legal Description (Location of Lands Affected):
____ 1/4, ____ 1/4, ____ 1/4, Section ____, Township ____, Range ____
____ 1/4, ____ 1/4, ____ 1/4, Section ____, Township ____, Range ____
____ 1/4, ____ 1/4, ____ 1/4, Section ____, Township ____, Range ____

Section 31, Township 1 S, Range 2 W;

Sections 6, 7, 8, 16, 17, 21, 28, 29 & 32 Township 1 S, Range 2 W;

Sections 5, 6, 7 & 18, Township 3 S, Range 2 W;

7. Name of Operator or Company: Kennecott Utah Copper Corp.
8. Permanent Street Address: 8362 W 10200 S
City, State, Zip: Bingham Canyon, Utah, 84006
Phone (801) 569-7120 Fax: (801) 569-7192 E-mail: doughtyp@kennecott.com
9. Company Representative (or designated operator):
Name: Paula Doughty
Title: Director, Environ. Affairs
Business Address: P.O. Box 6001
City, State, Zip: Magna, Utah, 84044-6001
Phone: (801) 569-7120 Fax: (801) 569-7192 E-mail: doughtyp@kennecott.com
☐ Please check if any of the above information has changed since previous year.

II. Mining and Reclamation

1. Was there any mine related activity during the past year? Yes ☒ No ☐
2. If no - what was the last year of activity? _____
3. Report the gross amount of ore mined and waste moved, as well as the arrangement, positioning, or distribution of the material. A total of 51.4 million short tons of concentrate (combined moly and copper) were produced in 2005.
4. Briefly describe the type of work performed, during the past year. Crushing and concentrating ore in addition to tailings generation continued within the permit boundaries. Also, construction of the approved Pebble Crushing and Conveying facility started in late 2005. The facility remains within the permitted area and footprint of the existing Copperton Concentrator and construction of that facility will continue throughout 2006.
5. How much **new or additional acreage** was disturbed during the past year? No additional acreage was disturbed in 2005. Areas already considered within the disturbed acreage were re-disturbed for construction purposes, and then seeded.
6. How much acreage was **reclaimed** during the past year? Approximately 1 acre within the existing disturbed footprint was disturbed when storm drains and associated piping below the access road were replaced during the the Pebble Crusher construction project. The area was hydroseeded in fall 2005.
7. Briefly describe the reclamation work performed during the past year. This description should include methods employed, and an evaluation of the results. (Submit form MR-SITE for an application for full or partial bond/site release). A number of small slopes comprising a total of 1 acre were hydroseeded with a native seed mix. These areas were within the existing disturbed footprint and located below the access road.
8. What is the **total disturbed acreage of entire project** at years end? Total disturbed acreage within the permitted area is 341 acres.
9. Briefly summarize any mining and/or reclamation plans for the upcoming year. Crushing and flotation activities will continue through 2006 along with construction projects associated with the Pebble Crushing and Conveying facility.

The Pebble Crusher will be under construction through 2006. Thus an updated map of the Copperton Concentrator showing existing facilities and the final as-built location of the Pebble Crushing and Conveying facility will be submitted in the 2006 annual report.

10. The operator shall keep and maintain timely records relating to his performance under the Act, and shall make these records available to the Division upon request.

NOTE: Section III., "Additional Information" applies only to **large mining operations.**

III. Additional Information - R647-4-121.2

1. **Include an updated map depicting surface disturbance and reclamation performed during the year,** prepared in accordance with Rule R647-4-105.

IV. Signature Requirement

I hereby certify that the foregoing is true and correct.

Name (Typed or Print): Paula Doughty

Title of Operator: Director, Environmental Affairs

Signature of Operator: Paula Doughty

Date: 1/31/2006

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